

South Dakota Public Utilities Commission Meeting
Tuesday, August 7, 2007, at 9:30 A.M.
State Capitol Building, Room 412
Pierre, South Dakota

NOTE: *If you wish to join this meeting by conference call, please contact the Commission at 605-773-3201 by 5:00 p.m. on August 6, 2007. Lines are limited and are given out on first come/first serve basis, subject to possible reassignment to accommodate persons who must appear in a proceeding. Ultimately, if you wish to participate in the Commission Meeting and a line is not available you may have to appear in person.*

NOTE: *To listen to the Commission Meeting live please go to the PUC's website www.puc.sd.gov and click on the LIVE button on the home page. The Commission requests that persons who will only be listening to proceedings and not actively appearing in a case listen via the webcast to free phone lines for those who have to appear. The Commission meetings are archived on the PUC's website under the Commission Actions tab and then click on the LISTEN button on the page.*

NOTE: *Notice is further given to persons with disabilities that this Commission meeting is being held in a physically accessible place. If you have special needs, please notify the Commission and we will make all necessary arrangements.*

AGENDA OF COMMISSION MEETING

Administration

1. Approval of the Minutes of the Commission Meetings Held on April 10, April 24, May 8, and June 5, and an Ad Hoc Meeting Held on June 12, 2007. (Staff: Demaris Axthelm)

Consumer Reports

1. Status Report on Consumer Utility Inquiries and Complaints Received by the Commission. (Staff Attorney: Kara Van Bockern)

Electric

1. EL07-021 In the Matter of the Filing by Montana-Dakota Utilities Co. for Approval of Tariff Revisions. (Staff Analyst: Dave Jacobson, Staff Attorney: Karen Cremer)

Montana-Dakota Utilities Co. is seeking approval to revise its Occasional Power Purchase Non-Time Differentiated Rate 95, Short-Term Power Purchase Time Differentiated Rate 96 and Long-Term Power Purchase Time Differentiated Rate 97. The filing is made in compliance with the Commission's Order in F-3365 and in accordance with the Special Terms and Conditions of these tariffs which state that the rate schedules will be reviewed annually and revised when necessary.

TODAY, shall the Commission Approve the Tariff Revisions?

Hydrocarbon Pipeline

- 1. HP07-001 In the Matter of the Application of TransCanada Keystone Pipeline, LP for a Permit under the South Dakota Energy Conversion and Transmission Facility Act to Construct the Keystone Pipeline Project. (Staff Analysts: Martin Bettmann/Bob Knadle/Nathan Solem, Staff Attorney: Kara Van Bockern)**

On April 27, 2007, TransCanada Keystone Pipeline, LP, (Keystone) filed a siting permit application for the South Dakota portion of the Keystone Pipeline Project (Project). The Project will transport crude oil starting in Hardisty, Alberta, Canada and ending in Patoka, Illinois. The proposed 30 inch diameter pipeline will have a nominal capacity of 435,000 barrels of oil per day (bpd) with a possible expansion to 591,000 bpd. The proposed route will enter South Dakota at the North Dakota/South Dakota border in Marshall County and extend in a southerly direction, exiting the state at the South Dakota/Nebraska border in Yankton County. The length of the pipeline in South Dakota will be approximately 220 miles and it will cross the counties of Marshall, Day, Clark, Beadle, Kingsbury, Miner, Hanson, McCook, Hutchinson and Yankton. The Project also includes four pump stations in South Dakota located in Day, Beadle, Miner and Hutchinson counties along with 15 mainline valves with an average spacing of 15 miles between valves. On May 8, 2007, the Commission voted to assess a filing fee not to exceed \$351,100 with an initial deposit of \$8,000; approved the notification process; and approved locations and times for public hearings. At its June 5, 2007, meeting, the Commission voted to extend the intervention deadline to July 10, 2007. On June 6, 2007, commission staff filed a Motion for Release of Information Filed Confidential. Numerous requests for access were filed regarding information filed by Keystone as confidential. Keystone filed redacted documentation on June 15, 2007, which was placed on the PUC website on June 20, 2007. On June 21, 2007, staff filed a letter and recommendations regarding the redacted filings. At its June 12 and July 11, 2007, meetings, the Commission voted to grant party status to all persons who had requested such status.

TODAY, how shall the Commission Proceed Regarding a Procedural Schedule?, AND, shall the Commission Request Pre-Filed Testimony?, AND, shall the Commission Authorize the Executive Director to Enter into Consulting Agreements with Necessary Experts?

Natural Gas

- 1. NG07-015 In the Matter of the Filing by NorthWestern Corporation d/b/a NorthWestern Energy for Approval of a Contract with Deviations with Lake Preston Cooperative. (Staff Analyst: Dave Jacobson, Staff Attorney: Kara Van Bockern)**

Application by NorthWestern Energy for approval of a Contract with Deviations for recovery of the cost of facilities to provide expanded service to Lake Preston Cooperative's new grain drying equipment. NorthWestern Energy requests approval with less than 30 days notice in order to accommodate the customer's need for service in a timely manner.

TODAY, shall the Commission Approve the Contract with Deviations and Associated Tariff Revisions with Less than 30 days Notice?

Pipeline Safety

- 1. PS07-002 In the Matter of the Filing of the Investigation of the Natural Gas Incident of March 8, 2007, in Mitchell, South Dakota. (Staff Analyst: Martin Bettmann, Staff Attorney: Kara Van Bockern)**

On July 13, 2007, the Commission Staff requested that a formal docket be opened into the ongoing investigation into the March 8, 2007, natural gas explosion at 1612 Bridle Drive, Mitchell, South Dakota. By opening this docket the Commission can set forth a formal process for review of the investigation report. On July 23, 2007, Arden Lemke d/b/a Lemke Digging & Geothermo Drilling filed a Petition for Intervention. Dennis Burham filed a Petition to Intervene on July 24, 2007. Robert & Jeanne Lorenz filed a Petition for Intervention on July 25, 2007. Ann & Arend Kuyper, Darla & Carl Johnson, and Bailey's Plumbing filed Petitions for Intervention on July 27, 2007.

TODAY, shall the Commission Grant Intervention to the Parties? OR, how shall the Commission Proceed? AND, shall the Commission Permit Staff to Enter into a Contract with a Forensic Expert?

Telecommunications

1. **TC07-021 In the Matter of the Filing for Approval of Transfer of Certificate of Authority from Dialaround Enterprises Inc. to STi Prepaid, LLC. (Staff Analyst: Harlan Best, Staff Attorney: Kara Van Bockern)**

On April 18, 2007, Dialaround Enterprises Inc. and STi Prepaid, LLC filed a joint application to transfer Dialaround Enterprises Inc.'s IXC authority to STi Prepaid, LLC.

TODAY, shall the Commission Approve the Transfer of Certificate of Authority from Dialaround Enterprises, Inc. to STi Prepaid, LLC?

2. **In the Matter of the Request for Certification Regarding the Use of Federal Universal Service Support in Dockets TC07-029, TC07-030, TC07-031, TC07-033, TC07-038, TC07-047, TC07-064, TC07-065, TC07-066, TC07-068, TC07-070, TC07-071, TC07-072, TC07-074, TC07-075, and TC07-076.**

- TC07-029 In the Matter of the Request of RCC Minnesota, Inc. for Certification Regarding its Use of Federal Universal Service Support. (Staff Analyst: Harlan Best, Staff Attorney: Karen Cremer)**

On May 16, 2007, RCC Minnesota, Inc. (RCC) provided information constituting RCC's plan for the use of its federal universal service support and to otherwise verify that RCC will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

- TC07-030 In the Matter of the Request of Wireless Alliance, L.L.C. for Certification Regarding its Use of Federal Universal Service Support. (Staff Analyst: Harlan Best, Staff Attorney: Karen Cremer)**

On May 16, 2007, Wireless Alliance, L.L.C. (WALLC) provided information constituting WALLC's plan for the use of its federal universal service support and to otherwise verify that WALLC will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

- TC07-031 In the Matter of the Request of Midcontinent Communications for Certification Regarding its Use of Federal Universal Service Support. (Staff Analyst: Harlan Best, Staff Attorney: Karen Cremer)**

On May 18, 2007, Midcontinent Communications (Midcontinent) provided information constituting

Midcontinent's plan for the use of its federal universal service support and to otherwise verify that Midcontinent will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254

TC07-033 In the Matter of the Request of James Valley Wireless, LLC for Certification Regarding its Use of Federal Universal Service Support. (Staff Analyst: Harlan Best, Staff Attorney: Karen Cremer)

On May 18, 2007, James Valley Wireless, LLC (JVWireless) provided information constituting JVWireless' plan for the use of its federal universal service support and to otherwise verify that JVWireless will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

TC07-038 In the Matter of the Request of Midstate Telecom, Inc. for Certification Regarding its Use of Federal Universal Service Support. (Staff Analyst: Harlan Best, Staff Attorney: Karen Cremer)

On May 25, 2007, Midstate Telecom, Inc. (Midstate) provided information constituting Midstate's plan for the use of its federal universal service support and to otherwise verify that Midstate will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

TC07-047 In the Matter of the Request of RC Communications, Inc. d/b/a RC Services for Certification Regarding its Use of Federal Universal Service Support. (Staff Analyst: Harlan Best, Staff Attorney: Karen Cremer)

On May 29, 2007, RC Communications, Inc. d/b/a RC Services (RC Services) provided information constituting RC Services' plan for the use of its federal universal service support and to otherwise verify that RC Services will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

TC07-064 In the Matter of the Request of PrairieWave Black Hills. L.L.C. for Certification Regarding its Use of Federal Universal Service Support. (Staff Analyst: Harlan Best, Staff Attorney: Karen Cremer)

On May 31, 2007, PrairieWave Black Hills, L.L.C. (PrairieWave) provided information constituting PrairieWave's plan for the use of its federal universal service support and to otherwise verify that PrairieWave will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

TC07-065 In the Matter of the Request of WWC License LLC for Certification Regarding its Use of Federal Universal Service Support. (Staff Analyst: Harlan Best, Staff Attorney: Karen Cremer)

On May 31, 2007, WWC License LLC (WWC) provided information constituting WWC's plan for the use of its federal universal service support and to otherwise verify that WWC will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

TC07-066 In the Matter of the Request of Santel Communications Cooperative for Certification Regarding its Use of Federal Universal Service Support. (Staff

Analyst: Harlan Best, Staff Attorney: Karen Cremer)

On May 31, 2007, Santel Communications Cooperative (Santel) provided information constituting Santel's plan for the use of its federal universal service support and to otherwise verify that Santel will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

TC07-068 In the Matter of the Request of Brookings Municipal Telephone d/b/a Swiftel Communications for Certification Regarding its Use of Federal Universal Service Support. (Staff Analyst: Harlan Best, Staff Attorney: Karen Cremer)

On June 1, 2007, Brookings Municipal Telephone d/b/a Swiftel Communications (Swiftel) provided information constituting Swiftel's plan for the use of its federal universal service support and to otherwise verify that Swiftel will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

TC07-070 In the Matter of the Request of Red River Rural Telephone Association for Certification Regarding its Use of Federal Universal Service Support. (Staff Analyst: Harlan Best, Staff Attorney: Karen Cremer)

On June 1, 2007, Red River Rural Telephone Association (Red River) provided information constituting Red River's plan for the use of its federal universal service support and to otherwise verify that Red River will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

TC07-071 In the Matter of the Request of Farmers Mutual Telephone Company for Certification Regarding its Use of Federal Universal Service Support. (Staff Analyst: Harlan Best, Staff Attorney: Karen Cremer)

On June 1, 2007, Farmers Mutual Telephone Company (Farmers) provided information constituting Farmers' plan for the use of its federal universal service support and to otherwise verify that Farmers will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

TC07-072 In the Matter of the Request of Fort Randall Telephone Company for Certification Regarding its Use of Federal Universal Service Support. (Staff Analyst: Harlan Best, Staff Attorney: Karen Cremer)

On June 1, 2007, Fort Randall Telephone Company (Fort Randall) provided information constituting Fort Randall's plan for the use of its federal universal service support and to otherwise verify that Fort Randall will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

TC07-074 In the Matter of the Request of City of Faith Municipal Telephone for Certification Regarding its Use of Federal Universal Service Support. (Staff Analyst: Harlan Best, Staff Attorney: Karen Cremer)

On June 1, 2007, City of Faith Municipal Telephone (Faith) provided information constituting Faith's plan for the use of its federal universal service support and to otherwise verify that Faith will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

TC07-075 In the Matter of the Request of Cheyenne River Sioux Tribe Telephone Authority for Certification Regarding its Use of Federal Universal Service Support. (Staff Analyst: Harlan Best, Staff Attorney: Karen Cremer)

On June 1, 2007, Cheyenne River Sioux Tribe Telephone Authority (CRSTTA) provided information constituting CRSTTA's plan for the use of its federal universal service support and to otherwise verify that CRSTTA will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

TC07-076 In the Matter of the Request of Beresford Municipal Telephone Company for Certification Regarding its Use of Federal Universal Service Support. (Staff Analyst: Harlan Best, Staff Attorney: Karen Cremer)

On June 1, 2007, Beresford Municipal Telephone Company (Beresford) provided information constituting Beresford's plan for the use of its federal universal service support and to otherwise verify that Beresford will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

TODAY, shall the Commission Provide a Certification to the Federal Communications Commission and to the Universal Service Administration Company Regarding the Plan for the Use of Federal Universal Services Support as Proposed in Each of the Above Dockets?

3. TC07-036 In the Matter of the Approval of a Business Escalation Agreement between Qwest Corporation and Verizon Business Network Services, Inc. (Staff Attorney: Kara Van Bockern)

On May 24, 2007 the Commission received a filing for the approval of a Business Escalation Agreement, between Qwest Services Corporation (Qwest) and its affiliates and Verizon Business Network Services, Inc. and its affiliates. On July 6, 2007, Qwest filed a request to withdraw its filing.

TODAY, shall the Commission Grant the Withdrawal Request and Close the Docket?

4. TC07-078 In the Matter of the Filing by Qwest Corporation for Approval of Withdrawal of Section 252(f) Statement of Generally Available Terms Compliance. (Staff Analyst: Harlan Best, Staff Attorney: Karen Cremer)

On June 15, 2007, Qwest Corporation (Qwest) filed a Withdrawal its Statement of Generally Available Terms and Conditions (SGAT) in South Dakota. "Qwest's SGAT has become outdated because applicable law has changed since Qwest last filed revisions to its SGAT. The Triennial Review Order, the TRRO, and abolition of the pick and choose requirement in favor of the all-or-nothing rule have made many SGAT terms incompatible with existing and controlling law. Further, the SGAT has not been used as the interconnection contract template for over two (2) years. In contrast to other provisions of the SGAT, Qwest's Performance Indicator Definitions (PIDs) included as Exhibit B to the SGAT and the Performance Assurance Plan (PAP) have been the subject of periodic review and updates pursuant to processes contained in the PAP. The purpose of these reviews has been to provide current performance indicator definitions to the Commissions for their application across all CLECs. Because this process thus far has been a successful method of applying current performance indicator definitions on a non-discriminatory basis, Qwest will continue to make PIDs and the PAP available to CLECs until such time as the PAP, found in Exhibit K of the SGAT, is withdrawn or otherwise eliminated." On June 29, 2007, Level 3 Communications, LLC filed a Petition to Intervene.

TODAY, shall the Commission Grant Level 3's Petition to Intervene?

5. **TC07-079 In the Matter of the Complaint filed by OrbitCom, Inc. against Global Crossing Telecommunications, Inc. Regarding Switched Access Services. (Staff Analyst: Keith Senger, Staff Attorney: Kara Van Bockern)**

On June 18, 2007, OrbitCom, Inc. (OrbitCom) filed a complaint against Global Crossing Telecommunications, Inc. (Global Crossing) for failing to pay switched access charges. On July 25, 2007, Global Crossing filed a Motion to Dismiss. On July 30, 2007, OrbitCom filed a request for withdrawal of the complaint.

TODAY, shall the Commission Grant the Request for Withdrawal and Close the Docket?

6. **TC07-084 In the Matter of the Filing by NOS Communications, Inc. for a Continuation of an Exemption from Developing Company Specific Cost-Based Switched Access Rates. (Staff Analyst: Keith Senger, Staff Attorney: Kara Van Bockern)**

On March 7, 2003, the Commission issued an Order granting NOS Communications, Inc. an exemption from filing company specific cost-based switched access rates and allowed NOS Communications, Inc. to mirror the Qwest rates. On July 17, 2007, NOS Communications, Inc. filed a petition requesting a continuation of that exemption.

TODAY, shall the Commission Grant the Continuation of the Exemption from Filing Company Specific Cost-Based Switched Access Rates?

7. **In the Matter of the Application of MCC Telephony of the Midwest, Inc. d/b/a Mediacom for a Certificate of Authority in Dockets TC06-188 and TC06-189**

TC06-188 In the Matter of the Application of MCC Telephony of the Midwest, Inc. d/b/a Mediacom for a Certificate of Authority to Provide Interexchange and Local Exchange Services in the Brookings Exchange (Staff Analyst: Nathan Solem, Staff Attorney: Kara Van Bockern)

On November 6, 2006, MCC Telephony of the Midwest, Inc. d/b/a Mediacom ("MCC") filed a petition for a certificate of authority to provide facilities-based and resold basic local exchange services. Services proposed will include non-switched, switched local services and special access services in the Brookings rural exchange area. Brookings Municipal Utilities d/b/a Swiftel Telecommunications (Swiftel) filed a Petition for Intervention on November 21, 2006. The South Dakota Telecommunications Association (SDTA) filed a Petition for Intervention on November 22, 2006. The Commission granted intervention to Swiftel and SDTA at its December 6, 2006, meeting. The parties filed a Stipulation Agreement.

TC06-189 In the Matter of the Application of MCC Telephony of the Midwest, Inc. d/b/a Mediacom for a Certificate of Authority to Provide Interexchange and Local Exchange Services in the Castlewood, Elkton, Estelline, Hayti, Lake Norden and White Exchanges (Staff Analyst: Nathan Solem, Staff Attorney: Kara Van Bockern)

On November 6, 2006, MCC Telephony of the Midwest, Inc. d/b/a Mediacom ("MCC") filed a petition for a certificate of authority to provide facilities-based and resold basic local exchange services. Services proposed will include non-switched, switched local services and special access services in the Castlewood,

Elkton, Estelline, Hayti, Lake Norden and White rural exchange areas. On November 10, 2006, Interstate Telecommunications Cooperative, Inc. (ITC) filed a Petition for Intervention. The South Dakota Telecommunications Association (SDTA) filed a Petition for Intervention on November 22, 2006. Intervention was granted to ITC at the November 28, 2006, commission meeting. The Commission granted intervention to SDTA at its December 6, 2006, meeting. The Parties filed a Stipulation Agreement.

TODAY, shall the Commission Approve the Stipulation and Close the Dockets Above?

Announcements

1. The next regularly scheduled Commission meeting will be held August 28, 2007, at 9:30 a.m. in Room 412, State Capitol Building, Pierre, SD.
2. Commission meetings are scheduled for September 11 and 25, 2007.
3. Commissioners and staff will be making a presentation on energy efficiency at the Sioux Empire Fair Front Porch Stage at 1:00 p.m. on August 9, 2007.
4. Commissioners and staff will be making a 3:00 p.m. presentation on energy efficiency at Ken's Family Tent at the Brown County Fair on August 17, 2007.
5. Commissioners and Staff will be attending the South Dakota Association of Telephone Cooperatives annual meeting in Watertown, SD, August 19 – 21, 2007.
6. The PUC offices will be closed Monday, September 3, 2007, in observance of Labor Day.
7. The PUC will host a wireless conference, "Connecting South Dakota: Wireless Technology," Sept. 18, 2007, at the Sioux Falls Convention Center

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